

opportunity to request administrative review, and no domestic interested party objects to the Department's intent to revoke or terminate pursuant to this notice, we shall conclude that the antidumping duty orders, findings, and suspended investigations are no longer of interest to interested parties and shall proceed with the revocation or termination.

Opportunity to Object

Domestic interested parties, as defined in § 353.2(k)(3), (4), (5), and (6) of the Department's regulations, may object to the Department's intent to revoke these antidumping duty orders and findings or to terminate the suspended investigations by the last day of May 1995. Any submission to the Department must contain the name and case number of the proceeding and a statement that explains how the objecting party qualifies as a domestic interested party under § 353.2(k)(3), (4), (5), and (6) of the Department's regulations.

Seven copies of such objections should be submitted to the Assistant Secretary for Import Administration, International Trade Administration, Room B-099, U.S. Department of Commerce, Washington, D.C. 20230. You must also include the pertinent certification(s) in accordance with § 353.31(g) and § 353.31(i) of the Department's regulations. In addition, the Department requests that a copy of the objection be sent to Michael F. Panfeld in Room 4203. This notice is in accordance with 19 CFR 353.25(d)(4)(i).

Dated: April 18, 1995.

Joseph A. Spetrini,
Deputy Assistant Secretary for Compliance.
[FR Doc. 95-10520 Filed 4-27-95; 8:45 am]
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[A-201-819]

Initiation of Antidumping Duty Investigation: Light-Walled Rectangular Pipe and Tube From Mexico

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: April 28, 1995.

FOR FURTHER INFORMATION CONTACT: Dorothy Tomaszewski or Erik Warga at (202) 482-0631 or (202) 482-0922, Office of Antidumping Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, D.C. 20230.

INITIATION OF INVESTIGATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930 ("the Act") are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Statute by the Uruguay Round Agreements Act (URAA).

The Petition

On March 31, 1995, the Department of Commerce (the Department) received a petition filed in proper form by Southwestern Pipe, Inc. (the petitioner), one of two regional producers of light-walled rectangular ("LWR") pipe and tube in Texas. A supplement to the petition was filed on April 13, 1995.

In accordance with section 732(b) of the Act, the petitioner alleges that imports of LWR pipe and tube from Mexico are being, or are likely to be, sold in the United States in the region of Texas at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the regional industry in Texas.

Since petitioner is an interested party as defined under section 771(9)(C) of the Act, petitioner has standing to file a petition for the imposition of antidumping duties.

On April 17, 1995, a Mexican producer of subject merchandise named in the petition, Hylsa S.A. de C.V. ("HYLSA"), submitted a request that the Department poll all domestic producers of subject merchandise in the United States. According to HYLSA, the relevant industry for purposes of determining petitioner's standing should be defined as the national industry producing the subject merchandise (see following Section for details on this issue).

Determination of Industry Support for the Petition

The petition contains an adequate allegation that Texas is a regional industry for the domestic like product; this allegation includes data on both factors required by section 771(4)(C) of the Act. Under section 732(c)(4)(C), if the petitioner properly alleges that the industry is a regional industry, the Department shall determine whether the petition has been filed by or on behalf of the industry by applying the requirements set forth in the Act on the basis of the production in the region. Therefore, the Department has evaluated industry support for the petition based upon production in the region.

Section 732(c)(4)(A) of the Act requires that the Department's industry

support determination, which is to be made before the initiation of the investigation, be based on whether a minimum percentage of the relevant industry supports the petition. A petition meets the minimum requirements if (1) domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product; and (2) those domestic producers or workers expressing support account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

The petitioner, one of two known regional producers of the domestic like product, accounts for more than 50 percent of the total production of the domestic like product in the region as defined in the petition. The other known producer in the region has informed the Department that it supports this antidumping petition. Accordingly, the Department determines that this petition is supported by the regional industry in Texas.

Scope of the Investigation

The merchandise subject to this investigation is certain light-walled welded non-alloy steel pipes and tubes, of rectangular (including square) cross section, having a wall thickness of less than 4mm ("LWR"), regardless of specification (ASTM, proprietary, or other). These LWR pipes and tubes are supplied with rectangular cross sections ranging from 0.375×0.625 inch to 2×6 inches or with square sections ranging from 0.375 to 4 inches.

The LWR pipe and tube that are the subject of this petition are currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) heading 7306.60.50.00. Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Export Price and Normal Value

Export price was based on fourth quarter 1994 (1) average c.i.f. unit value of U.S. imports from Mexico, and (2) prices from a salesman's call sheets recording sales lost to Mexican competitors. The unit values based on U.S. imports from Mexico were reduced for foreign inland freight to derive ex-factory prices. The prices based on "lost" sales were reduced for the following costs: exporter's mark-up costs, broker commissions, U.S. import

duties, foreign inland freight and U.S. freight.

The home market price was based on tax-inclusive price quotations from Mexican producers to a home market customer in December 1994. The petitioner adjusted the FOB warehouse prices for Mexico's value added tax.

The petitioner based the normal value on constructed value ("CV") in accordance with section 773(a)(4) because it asserts that the Mexican home market price provided in the petition represented sales that were made below the cost of production ("COP") and, therefore, was not an appropriate basis for calculating normal value.

The components of COP are cost of manufacture ("COM") and selling, general and administrative expenses ("SG&A"). The petitioner calculated COM based on its own production experience, adjusted for known differences between costs incurred to produce LWR pipe and tube in the United States and production costs incurred for the merchandise in Mexico. To calculate SG&A expenses, including interest expense, the petitioner relied on data from the 1993 financial statement of a Mexican pipe and tube producer not named as a respondent in the petition. Petitioner maintained in its allegation that Mexican producers named as respondents in the petition did not publish financial statements and that the financial statements used to calculate SG&A expense provided the only available data for this expense.

The allegation that the Mexican producers are selling the foreign like product in their home market at prices below COP is based upon a comparison of the adjusted home market price with the calculated COP. Based on this information, we find reasonable grounds to believe or suspect that sales of the foreign like product were made at prices below COP in accordance with section 773(b)(2)(A)(i) of the Act. Accordingly, the Department will initiate a cost of production investigation.

Therefore, for the purposes of this initiation, we are accepting the petitioner's estimate of CV, as adjusted by the Department for profit, as the appropriate basis for Mexican normal value. The petitioner based CV on its COP methodology, described above, adding an amount for profit to arrive at a total CV. Rather than use the Mexican pipe and tube producer's 1993 financial statements to compute profit, the petitioner calculated profit on the basis of public financial data for a Mexican steel producer. It did so because the Mexican pipe producer had incurred a loss in that year. Consistent with section

773(e) of the Act, the Department revised the profit figure included in the CV to be zero, the actual profit for the one Mexican company whose operations were limited to the production of the foreign-like product.

Based on comparisons of export prices to CV, the recalculated dumping margins range from 14.08 to 23.38 percent.

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of LWR pipe and tube from Mexico are being, or likely to be, sold at less than fair value. If it becomes necessary at a later date to consider the petition as a source of facts available under section 776 of the Act, we may further review the calculations.

Initiation of Investigation

We have examined the petition on LWR pipe and tube and have found that it meets the requirements of section 732 of the Act, including the requirements concerning allegations of material injury or threat of material injury to a regional industry in a domestic-like product by reason of the complained-of imports, allegedly sold at less than fair value. Therefore, we are initiating an antidumping duty investigation to determine whether imports of LWR pipe and tube from Mexico are being, or are likely to be, sold at less than fair value on a regional basis. Unless extended, we will make our preliminary determination by September 7, 1995.

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act, copies of the public version of the petition have been provided to the representatives of the government of Mexico. We will attempt to provide copies of the public version of the petition to all the exporters named in the petition.

ITC Notification

We have notified the International Trade Commission (ITC) of our initiation, as required by section 732(d) of the Act.

Preliminary Determination by the ITC

The ITC will determine by May 15, 1995, whether there is a reasonable indication that imports of LWR pipe and tube from Mexico are causing material injury, or threaten to cause material injury to the regional industry. A negative ITC determination will result in the investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

This notice is published pursuant to section 732(c)(2) of the Act.

Dated: April 20, 1995.

Susan G. Esserman,
Assistant Secretary for Import Administration.

[FR Doc. 95-10524 Filed 4-27-95; 8:45 am]

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[C-331-601]

Cut Flowers From Ecuador; Amendment to Notice of Determination To Revoke Countervailing Duty Order

AGENCY: Import Administration,
International Trade Administration,
Department of Commerce.

ACTION: Amendment to notice of
determination to revoke countervailing
duty order.

SUMMARY: On April 12, 1995, the Department of Commerce (the Department) published a notice of determination to revoke the countervailing duty order on cut flowers from Ecuador (60 FR 18582). That notice stated, in error, that the effective date of revocation was April 12, 1995. We are correcting that clerical error; the effective date of revocation is January 1, 1995.

EFFECTIVE DATE: January 1, 1995.

FOR FURTHER INFORMATION CONTACT:
Brian Albright or Maria MacKay, Office
of Countervailing Compliance, Import
Administration, International Trade
Administration, U.S. Department of
Commerce, 14th Street and Constitution
Avenue NW., Washington, D.C. 20230;
telephone: (202)482-2786.

SUPPLEMENTARY INFORMATION:

Clerical Error

We are correcting the following clerical error in the Department's April 12, 1995 determination to revoke the countervailing duty order on cut flowers from Ecuador:

The section which reads "**EFFECTIVE DATE:** April 12, 1995" is amended to read "**EFFECTIVE DATE:** January 1, 1995."

This notice is in accordance with 19 CFR 355.25(d)(4)(iii).

Dated: April 21, 1995.

Joseph A. Spetrini,
Deputy Assistant Secretary for Compliance.
[FR Doc. 95-10521 Filed 4-27-95; 8:45 am]

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Determination Not To Revoke Countervailing Duty Orders

AGENCY: International Trade
Administration, Import Administration,
Department of Commerce.